

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL MEMORANDUM

HB 2295 – SB 2282

May 26, 2009

SUMMARY OF AMENDMENT (008466): Deletes all language after the enacting clause and requires any court ordered outpatient evaluation for a child believed to be suffering from mental illness to be completed within 30-days after it is ordered. Removes the court's authority to order inpatient evaluations unless the professional performing the evaluation determines that it cannot be properly done on an outpatient basis. Requires the court to request the services of a crisis response provider when a child alleged to be delinquent or unruly is believed to be experiencing a behavioral health emergency. If the crisis response provider cannot examine the child within two hours of the request, the court may order the child to be placed in a hospital or treatment facility for no more than 48-hours. Requires the counties to bear the cost of transporting a child to and from the mental health facility for mental examination or evaluation that has been ordered by the juvenile court judge for a child charged with commission of an offense that would be a felony if committed by an adult. Requires the parents or legal guardians of the child to pay for the transportation expenses if the court determines that they are financially able to pay.

FISCAL IMPACT OF ORIGINAL BILL:

MINIMAL

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - \$2,306,700

Assumptions applied to amendment:

- The Department of Mental Health and Developmental Disabilities (DMHDD) ceased payments of court ordered inpatient mental health evaluations of juveniles who had been charged with commission of an offense that would be a felony if committed by an adult on September 1, 2008, as a result of the Court of Appeals decision *In Re J.B. (E2007-01467-COA-R3-JV)*.

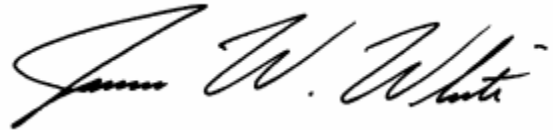
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- According to the Department, the number of both court ordered inpatient and outpatient evaluations were significantly reduced after September 1, 2008, due to the counties not having the resources to fund court ordered inpatient evaluations that resulted from a previously ordered outpatient evaluation.
- It is estimated that the provisions of the bill will result in court ordered evaluations of juveniles increasing to the amount of evaluations prior to the Court of Appeals decision. In FY07-08, there were approximately 744 juvenile court ordered evaluations ordered for delinquent and unruly individuals.
- It is estimated that approximately 50 percent, or 372, of the 744 evaluations will be referred to a crisis response provider for services instead of being ordered for an outpatient or inpatient evaluation.
- Currently, the state contracts with a crisis response provider for these services. According to the Department, there will not be an immediate increase in expenditures to the contract based on the proposed increase in referrals to the crisis response provider. If the number of referrals continues to increase, there could be an increase in the amount of funds necessary for the contract services in future fiscal years.
- Pursuant to the provisions in the bill, if the crisis response provider cannot perform an evaluation within two hours, the juvenile may be committed for up to two days of hospitalization.
- Based on current evaluation times of the crisis response provider, it is estimated that 69 individuals will not be evaluated within two hours and will be committed for inpatient evaluations. It is estimated that each individual will be hospitalized for two days at a rate of \$450 per day resulting in an increase in expenditures of \$62,100 (69 x 2 x \$450).
- Since September 1, 2008, the state has been responsible for the cost of juvenile court ordered outpatient evaluations. From September 1, 2008 to March 31, 2009, there have been 89 juvenile court ordered outpatient evaluations. It is estimated that the courts are ordering 13 (89/7 months) outpatient evaluations per month. Based on this, it is estimated that the state is currently responsible for funding approximately 156 outpatient evaluations per year.
- It is estimated that the remaining 50 percent, or 372, of the 744 court ordered evaluations will result in an outpatient evaluation being ordered. The increase in the estimated outpatient evaluations that the state will pay for is 216 (372-156).
- According to DMHDD, each outpatient evaluation costs approximately \$600 resulting in an increase in expenditures of \$129,600 (216 x \$600).
- Currently, DMHDD is not paying for any inpatient evaluations. According to DMHDD, approximately 50 percent, or 188 of the 372 outpatient evaluations will result in an inpatient evaluation.

- According to DMHDD, each inpatient evaluation will last on average 25 days at a cost of \$450 dollars per day resulting in an increase in expenditures of \$2,115,000 (188 x 25 x \$450).
- According to DMHDD, as a result of the Court of Appeals decision *In Re J.B. (E2007-01467-COA-R3-JV)* the counties have been responsible for the cost of transportation to state mental health facilities for juveniles who are charged with commission of an offense that would be a felony if committed by an adult. The proposed bill as amended will codify the counties' responsibility to cover the cost of transportation which has been the practice since September 1, 2008.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/kml